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STATE OF KENTUCKY, *Governor*

GOVERNOR'S MESSAGE.

J. Preston Huett

DECEMBER 31, 1885.

Kentucky Governor

MESSAGE

—OF—

GOV. J. PROCTOR KNOTT

—TO THE—

General Assembly of Kentucky,

—AT THE—

REGULAR SESSION, DEC. 30, 1885.

PROPERTY OF THE STATE OF KENTUCKY.

FRANKFORT, KY:
CAPITAL OFFICE, JOHN D. WOODS, PUBLIC PRINTER AND BINDER.
1885.



Governor's Message.

Gentlemen of the Senate and House of Representatives :

The circumstances under which you have assembled are peculiarly gratifying. At no period in our history have our federal relations been more harmonious or our domestic affairs more tranquil. All classes have quietly acquiesced in the political revolution accomplished through the regular and peaceful methods of the Constitution, by which the executive functions of the General Government have been transferred from the party under whose control they had been administered for twenty-four consecutive years. That fact has relieved the great mass of our colored population of the slavish fear, excited by unscrupulous and designing persons for the promotion of their own sinister purposes, that their race would be remanded to its former condition of servitude upon the accession of the opposing party to power. We have been visited by no great popular calamity; the development of our resources, though gradual, has been continued and healthy; the products of many of our industries have been largely increased; private enterprise has been crowned with remunerative results, and public prosperity has kept pace with the constant growth of our population.

Meeting under such agreeable auspices, you are especially to be congratulated that you are confronted at the threshold of your deliberations by nothing calculated to distract your labors or divert your attention from the grave and important subjects of practical legislation which imperatively demand your earnest and careful consideration.

Paramount among these are the glaring and mischievous defects in our financial system which have been so frequently brought to the notice of your predecessors within the last decade, and for which it is hoped your wisdom may provide some adequate remedy.

In my message to the last Legislature, I called attention to the fact that while there was a balance in the Treasury of \$8,624.33 for the fiscal year ending June 30, 1883, we were owing \$500,000 on temporary loans from the banks, which created an actual deficit of \$491,375.67; and that there was no reasonable prospect of its being extinguished, or

materially diminished for years with the resources of the Treasury as they then existed, which were barely sufficient to enable us, after defraying the other expenses of the Government, to accumulate every two years a balance about equal to the additional expenditures incident to a single session of the General Assembly. That conclusion was not only fully sustained but rendered more strikingly suggestive by the carefully considered estimates submitted by the Auditor of Public accounts, in which he predicted a deficit of over \$298,000 for the fiscal year ending June 30, 1885.

In view of these facts I urged the adoption of such measures as would not only insure the liquidation of our indebtedness to the banks at the earliest practicable moment, but place the Treasury in a condition to promptly meet all its liabilities on demand. It was not found expedient to do so, however. On the contrary our fiscal affairs were still further embarrassed by the diversion of revenues from the General Expenditure to the School Fund, aggregating in two years over \$350,000, by appropriations which had not been anticipated amounting to more than \$284,000, and by the addition of \$175,000 to the ordinary expenditures of the Government in consequence of the unusual length of the session, protracted by circumstances which had not been foreseen and which, perhaps, could not have been avoided.

To meet these additional liabilities of the General Expenditure Fund, the rate of taxation was increased five cents on the hundred dollars, yielding upon our accustomed rates of assessment an annual increase of revenue averaging about \$160,000; and as a further means of preventing the anticipated deficit in the Treasury, an act was passed directing the funding of the bank debt at a rate of interest not exceeding five per cent. per annum; in pursuance of which \$500,000 in twenty year bonds at four per cent. were negotiated as of June 1, 1885, at two and a half per cent. premium, and the proceeds amounting to \$512,500 paid into the Treasury and accounted for as part of the receipts of the last fiscal year,

In the light of these facts you will be enabled to arrive at a clearer understanding of the following exhibit of the condition of the Treasury submitted by the Auditor of Public Accounts, in his report of the "annual income and expenditures of the Government for the two years" preceding the first day of July, 1885.

The balance in the Treasury to the credit of the several funds, at the close of the fiscal year, ending June 30, 1883, was as follows:

General Expenditure Fund	\$8,624 88
Sinking Fund	174,002 30
White School Fund	186,288 58
Colored School Fund <i>Deficit</i>	\$100,809 58
Total	\$38,915 16
Less Colored School Fund <i>Deficit</i>	100,809 58
Net Balance	\$268,605 68
The Receipts into the Treasury during the fiscal year	2,615,162 56
Total Receipts from all sources, including Balances	\$2,883,768 19
Disbursements for the same period	2,761,456 52
Leaving <i>Balance in Treasury June 30th, 1884</i>	\$122,311 67
But there has been borrowed of the Sinking Fund	\$174,000 00
To which add Net School Fund Balance	181,340 88
Making	\$305,340 88
From this deduct Balance in Treasury, as above	122,311 67
Leaving a <i>Deficit in General Expenditure Fund, June 30th, 1884</i>	\$183,029 16

The balance in the Treasury to the credit of the several Funds, at the close of the fiscal year, ending June 30, 1884, was as follows:

General Expenditure Fund <i>Deficit</i>	\$183,029 16
Sinking Fund Balance	\$174,000 00
School Fund Balance.	181,340 88
Total	\$305,340 88
Deduct Deficit in General Expenditure Fund	183,029 16
Net Balance	\$122,311 67
The Receipts into the Treasury during the fiscal year, ending June 30th, 1885, were	3,323,055 49
Total Receipts from all sources, including Balances	\$3,445,367 16
Disbursements for the same period were	2,919,779 40
Leaving Balance in Treasury June 30, 1885	\$525,587 76

The above Balance belongs to the several Funds, as follows:

General Expenditure Fund.	\$35,812 30
Reserve to meet Bank Loan	200,000 00
Sinking Fund.	180,896 21
School Fund	108,879 25
Total as above	\$525,587 76

From the foregoing it will be seen that at the end of the last fiscal year there was a cash balance in the Treasury to the credit of the General Expenditure Fund of \$35,812.30, but at the same time there were

unpaid balances of appropriations and claims against that fund aggregating \$328,997.82, showing an actual deficit of \$293,185.52 to be provided for. It will be observed, however, that during the two years preceding the first of July, 1885, there had been diverted from the General Expenditure to the School Fund over \$350,000, while up to that date there had been realized only about \$160,000 from the increase of five cents tax upon each hundred dollars of assessed values: consequently, if that transfer had not been made, the deficit would have been only \$103,185.52, even if there had been no increase in the rate of taxation, and but for the \$175,000 additional expenditure, incurred by reason of the prolonged session of the Legislature, there would have been no deficit at all, but a clean balance of over \$55,000, after paying all appropriations and claims against the Commonwealth.

From this statement alone it is manifest that the deficit above referred to is attributable to no lack of ordinary economy in the necessary expenditures of the Government, but to circumstances entirely beyond the control of its accounting officers. But that fact may be placed in a clearer light by a brief examination of the resources of the Treasury and the manner in which the funds were distributed under existing laws.

The total amount of receipts from Sheriffs for taxes during the fiscal year ending June 30, 1885, was \$1,766,000.39, and that derived from all other sources of revenue, for general purposes—including \$512,500 accruing from sale of bonds—was \$1,467,363.30, making in all \$3,233,363.69. Of this sum, \$168,500.31 was placed to the credit of the Sinking Fund; \$869,457.82 transferred to the School Fund; \$18,420.35 to the Agricultural and Mechanical College, and \$522,250 paid on principal and interest of bank loans, leaving a net balance to the credit of the fund for general expenditures of \$1,654,735.21. Of this sum, \$377,231.37 went to the support of our public charities; \$513,762.58 to pay costs of criminal prosecutions, the *per diem* of jurors, and for record books for counties, and \$108,689.74 on appropriations made by the Legislature, leaving only \$655,051.52 for the payment of all the current expenses of the government, fixed and contingent.

From the foregoing it will be observed that during the last fiscal year the entire amount which went to defray the ordinary expenses of the State government—after deducting costs in criminal prosecutions, pay of jurors and cost of county record books—was \$232,826.65 less than that set apart for educational purposes, and \$233,993.43 less than the aggregate of the three items of expenditure just enumerated. In other words, forty-nine and nine-tenths per cent. of the fifty-two and a

half cents levied upon each one hundred dollars of assessed values in our State inures by force of law to the support of our common schools and the Agricultural and Mechanical College, while over fifty-seven per cent. of the residue was absorbed last year in the payment of criminal costs, jurors' fees and for county records.

These facts become strikingly significant when it is remembered that but four other States in the Union appropriate anything like as great a proportion of the revenues they derive from State taxation to educational purposes—many of them not one-half, others not a fourth, and a still greater number nothing at all—while in all of them except six the payment of costs in criminal cases and the *per diem* of jurors is relegated to the counties, and that in five of the six exceptions they are divided between the counties and the State.

Nevertheless, we are confronted by the fact that there was a deficit in the Treasury for the last fiscal year, and that it is likely to recur from year to year unless some means shall be devised to prevent it, as is clearly indicated by the following estimates of the General Expenditure Fund, submitted by the Auditor of Public Accounts, for the two years ending June 30, 1887 :

Estimated receipts to June 30, 1886	\$1,630,000 00
Estimated expenditures	\$1,650,500 00
Add deficit	298,185 52
TOTAL	\$1,948,685 52
Deduct receipts	1,630,000 00
Deficit June 30, 1886	\$318,685 52

For the year ending June 30, 1887—

Estimated receipts	\$1,620,000 00
Estimated expenditures	\$1,602,600 00
Add deficit	318,685 52
TOTAL	\$1,816,285 52
Deduct receipts	1,620,000 00
Deficit June 30, 1887	\$196,285 52

It is possible indeed that under our existing system an occasional balance may be found to the credit of this fund; but it is certain that such can not be the case except for the alternate years in which there will be no session of the General Assembly, and it is equally certain that such balances will invariably be for less than the increased ex-

penses and appropriations of the year following; so that at least once in every two years the Commonwealth will be found not only with an empty treasury, but with a large amount of unpaid claims against it which ought to have been liquidated on demand.

The question therefore is, how shall such a humiliating and discreditable condition of affairs be averted? We can no longer look to temporary loans for relief, even if a resort to such means could remedy, instead of aggravating the difficulty. Fortunately for us, in my judgment, we have reached the constitutional limit in that direction. An increase in the rate of taxation is neither desirable nor necessary; on the contrary, if proper measures should be adopted, it would soon be found practicable to reduce it, and still provide abundant revenues to meet all the necessary expenditures of the Government, current and extraordinary. I presume that no one desires that the resources of the School Fund shall be diminished, or that there should be an abatement of a single cent in the means provided to ameliorate the condition of the insane, the blind, the feeble-minded, or the deaf and dumb; especially when the demand for the more adequate accommodation of those unfortunate classes of our fellow beings is increasing year by year with the increase of our population. And I think it will be found that the expenditures of the Government for other purposes could be reduced but little, if any, without detriment to the public service. The remedy therefore, in my opinion, must be sought first in a thorough revision of our system of assessments.

That this needs immediate and thoughtful attention is evident from the simple fact, that the total assessed value of the personal property of the Commonwealth for the last fiscal year was only \$96,838,919, while that of our real estate amounted to \$293,989,044. Surely it will not be contended that over three-fourths of our entire wealth consists of real estate, or that more than three-fourths of our taxes should be levied upon that species of property, especially when we reflect that it lies at the very foundation of all our productive industries, and should for that reason alone, be relieved as far as possible from any undue burden of taxation. Yet it is a singular fact, and one aptly illustrative of the defects in our present system of assessments, that the returns for 1885 show that the number of acres of land in the State was 345,323 less than the year before, and still there was an increase in the aggregate valuation of that species of property of \$14,120,530, while there was a decrease of \$1,190,027 in the total valuation of personalty.

But there is another fact equally suggestive to which I would invite your attention. You will find the assessed values of the contiguous

State of Indiana aggregating for the year 1884, \$804,291,273 while our own for the same year were only \$377,888,542. This startling difference can not be explained upon the ground of a corresponding difference in the territorial areas of the two States, for that of Kentucky is over seven thousand square miles greater than that of Indiana, while the number of acres assessed in the former for that year, was 2,229,327 more than in the latter. Nor can it be attributed to any great difference in population; for the population in that State is but little over three hundred thousand in excess of our own. We can not admit that their aggregate wealth is more than double our own, or that ours averages but \$222 *per capita*, while theirs is over \$406, for we know that no such disparity actually exists. We can, therefore, only account for an exhibit so greatly to our own disadvantage upon the hypothesis that their property is assessed at very much nearer its real value than ours, or that their schedules embrace many descriptions of property which with us escape taxation entirely. Perhaps, upon investigation, both of these hypotheses will be found correct.

Independent of these facts, however, there is not an intelligent taxpayer in the Commonwealth who does not know that outside of our centres of wealth and population where valuations are usually higher in order to raise large sums by taxation for local purposes, property is rarely if ever assessed at more than fifty, and often not over forty per cent. of its actual cash value.

For such a conditions of things there can be no possible excuse consistent with any enlightened principle of public policy. It is of no benefit whatever to the average tax-payer that property in general should be assessed at only half its value; for where a given amount of revenue is to be raised it would simply double the rate of taxation. But in the occasional instances in which the property of the individual is assessed at what it would fetch in the market, such a reduced rate of general assessment must of necessity be grossly unjust and oppressive. On the other hand, with a more comprehensive and better defined schedule, embracing large amounts of property of which our assessors now take no notice at all, and with all varieties of taxable property assessed at their fair market value, the burden of taxation would not only be more evenly and justly distributed, but the rate would soon sink to less than one-half the present standard, and still furnish an abundant revenue for all the purposes of the Government. It is true it may make no difference to the individual tax-payer—supposing all assessments to be upon a uniform ratio—whether he pays a half per cent. upon his property assessed at half its value, or a quarter per cent. upon the same

property at its full value. The amount to him would be the same in either instance. But it is easy to see that it would make a vast difference in respect to the prosperity of the Commonwealth. In the one case it would present the pitiable and repellant spectacle of a poverty-stricken community staggering under an enormous load of taxation, and in the other that of a thrifty and lightly burdened people among whom the intelligence, the industry, the enterprise and the capital of other States and countries would be glad to find a home.

It is true that much good has been accomplished by the act of the last General Assembly establishing the State Board of Equalization. It met my very hearty approval at the time of its enactment, not as being anything like a thorough remedy for the many evils to be found in our revenue system, but as the inauguration of a necessary and important movement in the right direction; and a careful observation of its operation during the past two years has confirmed the opinion I then entertained. It has already corrected, to some extent, the glaring inequality in the rates of assessment which formerly existed, and still exists, to a greater or less degree throughout the State, and brought about an aggregate increase of over twelve million dollars in the assessments of a single year by causing assessors in many instances to place a fairer valuation upon the property assessed. And it may be confidently expected to effect a great deal more in the same direction within a very few years even if it should be permitted to remain as it is. Yet, it must be admitted that it would be more just in its operation, more consistent with the law which requires every assessor, under oath, to assess all property at its fair and full value, and far more efficacious in elevating the standard of valuation throughout the State, if it were so amended as not to authorize or permit the Board to make a reduction in the assessment in any instance whatever, but to require it to adopt, as a standard, the highest rate per cent. upon its actual cash value at which the returns for the year shall show each species of property to have been assessed anywhere in the State, and bring the assessments of all property of each variety up to the ratio thus established for the class to which it belongs. Thus amended—as I earnestly recommend that it shall be—the law would not only be more just, but its administration less liable to create dissatisfaction or excite unfriendly criticism, while its results would certainly be vastly more beneficial to the revenues of the Commonwealth.

But undervaluation and inequality in the assessment of property for taxation are not the only evils in our revenue system that demand legislative correction. Large amounts of property have, from time to

time, been exempted from taxation by private acts of the Legislature, many of which are in direct contravention of the organic law, and a gross injustice to the tax-payer. Institutions of questionable morality, claiming to exercise their privileges under the sanction of legislative authority, are plying their business in our State, and reaping enormous incomes from our people without contributing a cent to the revenues of the Commonwealth. The Treasury is annually drained of thousands of dollars in gratuities to local officials, who are authorized by special provisions hidden away in the charters of cities and towns, to demand twice the fees in criminal proceedings which are allowed by law to other officers for similar services. Expenditures amounting to hundreds of thousands per annum are paid out of the revenues of the Commonwealth which, upon every principle of common justice and intelligent economy, should be borne by the counties in which they are respectively incurred. These have stimulated extravagance, encouraged fraud, and, in many instances, lead to the organization of systematic conspiracies to pillage the public treasury.

I therefore most earnestly recommend, as I did to the last Legislature, "a thorough revision of our entire system of revenue, so as to insure, as far as possible, a uniform and fair assessment of all the taxable property in the State, which shall be just, alike to all portions of the Commonwealth and all classes of the community; the suppressions of all unjust exonerations; the prevention of unnecessary delinquencies; the prompt collection of the revenue; the relegation to the counties of all expenses which should be borne by them; a uniform scale of compensation to all public officers of whatever grade or locality, for the performance of similar services, and the more certain and rigorous punishment of all frauds upon the public treasury."

Such a work to be at all complete, will of course, require mature deliberation, as well as a careful and laborious examination of the various systems which have been approved by the experience of other States, and if a want of sufficient time, or other circumstance, shall prevent its accomplishment during your present session, I would renew the suggestion I made two years ago, that measures should at least be taken to have such a revision thoroughly prepared and ready for submission at the meeting of the next General Assembly. Should you deem it wisest to pursue this course I would urge the necessity of your making such amendments to chapter ninety-two of the General Statutes as will in the interim correct to some extent the inconveniences and evils growing out of our present system. Many of them which occur to me as highly important have been embraced in a carefully prepared bill

which I presume will be submitted for your action, and which I earnestly commend to your enlightened consideration.

In this connection I beg leave to direct your serious attention to the wise and thoughtful suggestions so frequently urged by the Auditor of Public Accounts with reference to the furnishing of county records, the maintenance of pauper idiots and the payment of costs in criminal cases, and which he has so forcibly repeated in his late admirable report. The evils to which he calls attention are so potent and his discussion of their remedy so exhaustive that his recommendations need no supplement at my hands.

SINKING FUND.

The resources and liabilities of the Sinking Fund at the close of the last fiscal year, were as follows :

RESOURCES.

Balance in the Treasury June 30, 1885	\$180,896 21
Four hundred and six shares of stock in Bank of Louisville, quoted at	30,450 00
Turnpike Stock, estimated at	500,000 00
Total estimated Resources	<u>\$711,346 21</u>

LIABILITIES.

One hundred and seventy-four (6 per cent.) Military Bonds, \$1,000 each, due in 1894-1896	\$174,000 00
Five hundred \$1,000 4 per cent. bonds, due 1905	500,000 00
Total	<u>\$674,000 00</u>

This fund is also charged with the following sums, which have been so long due and not heard from that they are presumed to have been lost or destroyed, and will probably never be presented for payment :

Old Railroad Script	\$ 394 00
Thirty-year Bonds, issued 1835	5,000 00
Bond issued 1861-1866	1,000 00
Total	<u>\$6,394 00</u>

The semi-annual interest accruing upon the State and county school bonds is paid out of the revenue arising from the tax of five cents on each hundred dollars, annually placed to the credit of the Sinking Fund, but the principal, amounting at this time to \$1,705,966.71, is dedicated forever to the support of our Common Schools, and is never to be paid. Assuming the amount derived to the Sinking Fund from this source last year as a basis, the annual net balance available for other purposes, after the payment of all interest for which the Commonwealth is liable will be over thirty-six thousand dollars.

PENITENTIARY.

It affords me unusual pleasure to be able to say that the Penitentiary is in better condition than it has ever been at any other period within the memory of the present generation. Having, with extreme regret, been forced to the conclusion that the welfare of that institution, as well as their own duty to the Commonwealth, demanded the removal of the late Warden, the Directors were fortunate enough to secure the services of Capt. E. H. Taylor in that capacity. He entered upon the discharge of his duties on the 23d of September, 1884, and from that time to this his management of the prison has been an honor to the State and a credit to the civilization of the age. With a rare faculty for the proper control of men, he at once commanded the respect of his subordinates, and secured the confidence and esteem of the unhappy class committed to his charge. Dignified in his demeanor, yet kind in his intercourse with those around him; humane in disposition, yet rigorously just in his transactions with all; active, vigilant, and punctillious in the discharge of his own duties, and firm in the exaction of a corresponding diligence in those under his control, he has maintained a discipline which, without harshness or friction, has elevated the morale of the prison government, increased the comfort, and improved the conduct of the convict, and made the Penitentiary a model of cleanliness, decorum, and order—no longer a blot upon the escutcheon of the Commonwealth, but a source of pride to our own people and a matter of gratulation to the philanthropist everywhere. Convicts are nowhere better fed, more comfortably clothed, more carefully attended when sick, or required to keep themselves and their apartments more scrupulously clean when well and as a consequence there has been, in a single year, a decrease of over one third in the number of invalids treated, and the mortality from acute or curable diseases has fallen, during the same period, greatly below what it has ever been known before. They are nowhere less burdened by labor or less frequently amenable to punishment for breaches of prison discipline, and they nowhere perform their allotted tasks with more alacrity or cheerfulness. In all these particulars the Penitentiary of Kentucky has been made, through the admirable management of Warden Taylor, the equal, if not the superior, of any similar institution on the continent.

In other respects, however, the administration of the affairs of the prison within the past year has been attended by difficulties of a very serious character, but which, I am glad to say, have been happily overcome. During the months of July, August and September, 1884, the Di-

rectors were severely criticised for simply obeying the requirements of a law which they could neither alter nor ignore, and for declining to usurp the exercise of functions with which they had never been legally invested. Alarmed by the clamor thus raised, capitalists who had previously determined to submit propositions to hire the labor of the Penitentiary, in pursuance of the provisions of the statutes relating to that subject, failed to do so. Consequently, on the expiration of the then existing contract with Mason, Hoge & Co., the Directors, although they had published the advertisements required by law, found themselves not only without a solitary bid, but confronted by the most embarrassing circumstances. With over a thousand convicts on their hands to be confined within the walls of a prison in which the accommodations were sufficient for but little over one-half of the number; to be guarded fed, clothed and furnished with medical attention at the expense of a treasury already greatly embarrassed by over-drafts; to be kept in idleness until the Legislature, at an outlay of hundreds of thousands of dollars, could provide machinery and material anything like adequate to their employment; with the roofs of the prison buildings in urgent need of repair, and the walls of one of the principal workshops in imminent danger of falling at any time, the situation was certainly one of extreme perplexity, as well as grave responsibility.

Assisted, however, by the cheerful co-operation and rare administrative ability of the present excellent Warden, they succeeded in repairing the roofing, rebuilding the dilapidated walls of the workshops, and subsisting the convicts for a period of six months at a net expense of \$33,330.40; and at length concluded a contract with the Mason-Foard Company, taking effect April 1, 1885, by which the entire labor of the penitentiary was let to that Company for the term of four years, to be employed by them in strict conformity to the requirements of the statute, in consideration of which, the Company obligated itself to pay in monthly installments an amount equal to the salaries and pay of all officers and guards, clothe, subsist and furnish medical attention to all the prisoners, furnish ten unskilled laborers, free of charge, at any time when needed for work on the public buildings and grounds, if not employed in the prison, pay all rewards for the apprehension and return of escaped convicts, and pay into the State Treasury \$8,333.33 $\frac{1}{3}$ per year. In other words, the contractors are to acquit the State of all cost whatever for running the Penitentiary for four years from the first of April last, and pay into the Treasury a bonus of \$33,333 $\frac{1}{3}$ for that term; thus re-inbursing the State for the net expenses incurred during the six months previous to the date of the contract, with the

right reserved to the Directors to withdraw at any time as many convicts as may be required for work on the Branch Penitentiary, upon giving sixty days' notice as required by law.

The contract thus concluded may be considered as more advantageous to the Commonwealth than any other ever negotiated with regard to its convict labor. It not only relieves the revenues of the State from all complication or embarrassment on account of the Penitentiary for four years, besides fully repairing the loss which occurred during the six months while the convicts were not under contract, but it continues the control of our convict labor with virtually the same parties who for a series of years past have shown themselves to be gentlemen of the strictest integrity, as well as enlarged and enlightened humanity, who have always exhibited the most cheerful disposition in assisting the directors and officers of the prison in every effort they have made to promote the public interests, establish a humane system of discipline, and ameliorate the condition of the convicts. Under their supervision the comfort of the convicts employed outside of the prison are as carefully provided for as those confined within its walls, besides being so moderately tasked that many of them have been enabled by their own voluntary labor to accumulate considerable sums for themselves.

BRANCH PENITENTIARY.

The Commissioners appointed under the provisions of the act of the last Legislature to superintend the erection of the Branch Penitentiary at Eddyville report that work in a fair state of progress. The land purchased for the purposes of the prison embraces eighty acres, the title to which has been conveyed to the Commonwealth by deed approved by the Attorney General. The site was selected with reference both to its hygienic advantages and the convenience of transportation. In the plans adopted special attention seems to have been paid to sanitation as well as security, and convenience and all proper arrangements contemplated for the classification of convicts according to their merits, and especially for the sequestration of juvenile offenders from older and more abandoned criminals, and when finished there is little doubt that it will be found to be one of the most complete and best appointed State prisons in the country.

The boundary wall, when completed, will be 1,711 feet long and 20 feet high, of which, at the beginning of the present month, 1,036 feet had been built to the height of 18 feet, completing one of the wings, and over one-half of the rear wall, including one of the gateways and

three of the watch towers. The front and rear walls of the Administration Building, and one of the cell-houses, and the front wall of another, and half the front walls of the third cell-house had also been completed to the water-table, an average height of 15 feet. Fifteen cells in one of the houses have been finished, ready for use, and half the walls of the second tier of cells erected, and the concrete foundations, second-class masonry for all the main and cross-walls of the four buildings completed; while the total amount expended up to that time was \$71,922.30, leaving, of the appropriation made by the last Legislature, an available balance of \$78,077.70.

I feel that I would be remiss in my duty if I should quit this subject without an earnest recommendation that the law be so amended as to invest the Board of Directors with the same power to appoint and remove the Warden they now have to appoint and remove the other officers of the Penitentiary. I urge this in the first place as a matter of sheer justice to the Directors themselves—not merely to the members of the present Board but to their successors as well. Their duties as such are all *ex officio*; they have no special relation to those pertaining legitimately to the position to which the Directors are respectively chosen, but are devolved upon those officers as a mere matter of convenience or economy, and are always onerous and frequently attended with the gravest responsibility. If the affairs of the Penitentiary are conducted properly nothing is set down to the credit of the Directors on that account, no matter how much may be due to their sagacity, zeal, or integrity; but if anything in the administration of the prison should prove disastrous or unsatisfactory, the Directors alone are held to answer at the bar of popular censure. I submit, therefore, that if they are required to do effective service for the Commonwealth, they ought, in simple justice, to be permitted to choose the chief instrument with which to accomplish it, and especially that no one should be allowed to put an obstacle in their way. Surely they should not be required to “make bricks without straw.”

But I make this recommendation for other and far more cogent reasons: I offer it as a matter of justice to the Commonwealth and to the hundreds of its citizens whose liberties have been forfeited under its laws, and who have neither the right nor the power to help themselves. No one will deny that the officer who stands directly between the Commonwealth and this unfortunate class, invested on either hand with weighty interests and important duties, should be selected with reference alone to his qualifications for such a trust; and it is equally

certain that none would be more likely to make the selection on such grounds than those who are directly interested in his capacity, under whose direction he is to act, and who are to be held in a great measure responsible for the consequences of his conduct.

It will not do to say that a majority of the officers who constitute the Board are likely to be so far controlled by personal prejudices, sectional preferences, social influences, or party considerations, or that they are so deficient in discretion or integrity that it would be unsafe to entrust them with such a power, for they already have the power to appoint and remove the Clerk, the Chaplain, the Physician, and the Deputy Warden, who performs all the functions of Warden in the absence of that officer. And, besides, they are charged with duties of vastly greater importance and responsibility by the very act which constitutes them Directors of the Penitentiary *ex officio*. If they are fit for such trusts as these, they are certainly competent to the other. What peculiar divinity is it then "which doth so hedge about" the office of Warden that it should be made an exception to a rule to which no objection has ever been suggested in every other case?

The plain fact is, the duties of Warden require a combination of peculiar qualifications, as every one with the slightest familiarity with the subject must be aware. A man may possess far more than ordinary intelligence, he may be of the most irreproachable moral character, and yet prove a lamentable failure in that position, both with regard to the interests of the Commonwealth and of those under his charge.

By innumerable deficiencies and delinquencies, intentional or unintentional, he may soon destroy the confidence of his subordinates and excite the contempt of the convict. They may be of such a nature as to be impalpable and intangible, and still destroy his power for usefulness entirely, although in nowise reflecting upon his character as a gentleman, and they can never be discovered except by trial and experience.

I make these suggestions from no personal standpoint whatever, but because I am thoroughly satisfied, after mature deliberation and in the light of official experience, that in no other way can the administration of the prison be made homogeneous and satisfactory.

STATE GUARD.

The State Guard consists at present of sixteen companies of infantry and one of artillery, all composed of most excellent material, fully equipped, thoroughly drilled, and ready for effective service whenever required.

Of this I am prepared to speak to some extent from personal observation, as well as from official reports.

In consequence of the disturbed condition of affairs in Rowan County during the past summer, to which I may perhaps call your attention more at length at a later period in your session, it unfortunately became my duty to keep from seventy to ninety men of this force on active duty for several weeks. The detail consisted primarily of detachments from Company F, Second Regiment, Captain Cockerill; Company H, Second Regiment, Captain Strother, and Company B, First Regiment, Captain Smith; the last subsequently relieved from duty for a short time and its place supplied by a detachment from Company D, Second Regiment, at first commanded by Lieutenant R. D. Williams, but afterwards by Captain Veach, the whole under command of Major L. W. McKee, of the Second Regiment; and such was their promptness and celerity that two of the detachments were at the scene of the disturbance, fully prepared for duty, within twelve hours from the issual of the order calling them into active service, while the third, detained only by want of transportation, arrived the following day. It was my pleasure, as I deemed it my duty, to visit and inspect their camp repeatedly during their service, and it is a source of unfeigned gratification to me to be able to bear testimony to the efficient, cheerful, and unselfish discharge of their duties by both officers and men. With the exception of three or four instances in which individuals manifested some reluctance to observe the obligations they had voluntarily assumed, there was not a murmur of complaint nor a breach of gentlemanly decorum by a single member of the command during their entire service; but officers and men alike vied with each other in showing their fealty to the law, as well by their deportment as citizens as their conduct as soldiers.

The spirit thus exhibited, as well as the arduous service thus promptly and faithfully performed, while it illustrates the value and reliability of the organization to which they belong, has my highest commendation, and merits the thanks of every good citizen of the Commonwealth. To none, however, should be accorded a more generous measure of credit than to the accomplished officer in command for his vigilance, prudence, fidelity, and firmness.

PLEURO-PNEUMONIA.

Some time in the autumn of 1884, the insidious and highly-destructive disease known among veterinarians as contagious pleuro-pneumonia, was discovered to exist on the farm of Messrs. Frisbie & Lake, in Harrison county, among a herd of Jersey cattle then recently imported by them from the State of Illinois; and, notwithstanding it has been confined within a comparatively small compass—extending but little beyond the immediate neighborhood—it would be difficult to estimate the damage which has already resulted to the cattle interests of the Commonwealth, in consequence of the mere appearance of that dangerous and dreaded plague in our midst. The markets of nearly every State and Territory lying to the north and west of us have been closed by quarantine against the cattle, not only of the infected locality but of the entire State, entailing a loss of hundreds of thousands of dollars upon the great body of our people who are engaged in the production and sale of that species of property. In addition to this, the owners and breeders of cattle everywhere in the State are constantly menaced by the possibility of a further dissemination of the disease, not only from the point where it is known to have existed for months, but from the unguarded importation of other infected herds from neighboring States.

Should these fears be realized, the extent of the evil which may be apprehended is beyond calculation, as the lengthy incubation of the distemper favors its introduction and transportation without detection, and the virus to which it owes its origin may be conveyed long distances in human clothing, boats, cars, hay, and other things with which it comes in contact, and which may become the ready and fruitful means of its speedy and extensive diffusion. The matter is, therefore, well worthy of your serious consideration, as our statutes are entirely insufficient for such an emergency.

It is true that if a person should knowingly keep in his possession cattle infected with a contagious disease, and in such a situation or under such circumstances as to enable the contagion to be communicated to the cattle of others, he would be liable under the common law to an indictment for maintaining a nuisance, and, on conviction, to be fined and imprisoned at the discretion of the jury; and if it should be charged and found to be a continuing nuisance, the court in which the conviction is had can order its abatement by having the diseased cattle destroyed, if it can be effectually accomplished in no other way. And it is probable that had this remedy been promptly applied when it

was first ascertained that pleuro-pneumonia was permitted to exist under such circumstances in the State, the disease would have been extirpated long ago.

It has been objected however—and perhaps justly—that in view of the insidious nature of the disorder, and the facility with which it may be communicated and transported, such a remedy would be too dilatory; and especially that it would not be so apt to be resorted to as one more summary that might be provided by statute. And in this connection it has been frequently suggested that the law should be amended so as to provide for the appointment of a State Veterinarian, or Board of Commissioners, with power to determine whether the disease exists in any instance, when requested, and to take peremptory measures for the isolation or destruction of all animals found affected by it; and that the owners of all animals destroyed under the decrees of the tribunal thus established shall be paid their reasonably assessed value out of the State treasury.

To my mind, however, such a plan is open to many serious if not insuperable objections. To say nothing of the extreme hazard to the interests of the property holder in trusting such an extraordinary power to any particular man, or set of men, it would certainly afford the broadest and most convenient avenue to frauds upon the exchequer of the Commonwealth that craft could devise or cupidity desire. Entertaining, but not altogether conscientious, persons would soon be found engaged in the thrifty occupation of importing diseased cattle into the State, to be slaughtered at the expense of the Commonwealth and paid for out of the public revenues; and instances would not be infrequent in which animals would be convicted of pleuro-pneumonia, when they had never been within a hundred miles of the sphere of its contagion. But again, cattle infected with pleuro-pneumonia are *ipso facto* valueless. In a large majority of instances it is known to be fatal, and in the few which are supposed to recover, the virus may remain concealed in the system for years, and manifest itself afresh to renew its disastrous ravages at any unexpected moment. Consequently no honest man would knowingly buy them for purposes of commerce at any price, and no prudent man would take them for his own use as a gift. Besides, no good reason can be assigned why the owners of cattle should not hold them subject to all the incidents of ownership pertaining to every other variety of property—why they should not be required to keep them so as not to become a fruitful and dangerous source of injury to others, why they should not be punished if they should knowingly fail or refuse to do so, or why they should not themselves bear the loss if their

cattle should be destroyed or rendered valueless by casualty or disease. Moreover, I can conceive of no sound principle of political ethics or correct jurisprudence which requires that a person shall be paid to desist from a course of conduct which is not only seriously hurtful to those immediately around him, but extremely pernicious in its consequences upon the interests of the entire Commonwealth.

But the gravest objection of all is: that such a proposition finds no warrant in the Constitution under any just or reasonable construction of that instrument. It is not in the clause which guarantees a just compensation for property taken for public use; for, in the compulsory destruction of animals infected with a deadly and contagious disease in order to prevent its further dissemination, there is no such taking for any *use* at all, public or private, but simply the abatement of a pernicious and destructive public nuisance, which the owner has no *right* to maintain, but which it is his *duty* to abate himself, without waiting to be compelled by the coercive agencies of the law. If the owner of property thus constituting a nuisance should destroy it, whether from a prudent regard for his own interests, or from a just sense of his obligations to society, no one would pretend that he could come upon the Treasury with a claim for compensation on the ground that it had been taken for, or devoted to, the public use. When a house, itself in reasonable danger of destruction, is torn down as a necessary means of arresting the ravages of a conflagration, no one pretends to say that the owner is entitled to compensation for his loss on that account, either out of the public treasury, or the pockets of those whose property may have been thereby saved. When the instruments with which the gambler plies his vocation are seized by the sheriff or the policeman and committed to the flames, no one claims that his property has been taken for the public *use*, or complains of a violation of his constitutional rights because he is not paid for it.

As there is no principle of common justice, so there is no provision in the organic law which authorizes the legislative authority to levy an involuntary contribution upon the tax-payers of the Commonwealth to reimburse the owner of any species of property for its loss or destruction in consequence of any of the ordinary incidents of ownership. If such authority had constitutional sanction, it is easy to see to what disastrous lengths it might be carried. If the dwelling of the citizen should be consumed by fire, his mill demolished by an explosion, his store pillaged by robbers, his barn destroyed by lightning, his fencing swept away by the floods, his horses rendered valueless by glanders,

his hogs decimated by cholera, or his wages reduced or suspended by the fluctuations of commerce—all such losses might, with equal justice, be repaired by subsidies from the public treasury. Nothing would be beyond the reach of its resistless fiat, but everything subject to a limitless and sweeping agrarianism.

The Legislature seems to have acted on this view in the statutes heretofore passed in relation to cognate subjects, which provide that the owner of an animal infected with glanders shall cause it to be killed and burned at his own expense, or be fined not less than twenty nor more than one hundred dollars for a failure to do so; and also authorize a justice of the peace to have distempered cattle killed and burned at the owner's expense, if he should fail or refuse after having been ordered by the magistrate to keep them properly impounded.

There are certain grave and well ascertained facts, however, which we can not afford to ignore, namely: that the malady is of the most insidious and deadly nature; that it may at any time be readily introduced and widely disseminated without proper precautions to prevent it; that if it should once attain anything like a general or permanent footing in our State, it is liable to ruinously impair, if not utterly destroy, one of the most important industries in the Commonwealth; and that the only effectual method for its eradication is the prompt and inexorable slaughter of all animals infected by it; and the rigorous disinfection of all premises contaminated by its virus.

I would therefore recommend the enactment of a law providing in substance that any person who shall bring into, or keep within the State, any cattle, knowing them to be infected with pleuro-pneumonia, or who shall knowingly permit any such animal to go at large, or who shall transfer any such animal to another person by sale, gift or otherwise, knowing the same to be so diseased, shall be deemed guilty of a felony. And upon complaint made under oath to the judge of any County Court, that any person within his county has in his possession, or under his control, any cattle so diseased, it shall be his duty, after proper citation to the person so charged, to cause the fact to be ascertained by a jury, and if the jury shall find the facts alleged in the complaint to be true, to order the infected cattle to be forthwith killed, and burned, or buried at the expense of the owner or person having them under his control, and make such other orders as may be necessary to insure the thorough disinfection of such buildings or inclosures as may have been contaminated by the presence of the disease. Such a statute,

with proper provisions for guarding against the careless introduction of the disease into the State, by persons ignorant of its actual existence, would, in my opinion, be found entirely sufficient to protect the enormous and valuable cattle interests of the Commonwealth from this terrible and destructive scourge.

EDUCATION.

It will be seen from the careful and elaborate report of the Superintendent of Public Instruction that there has been a steady and gratifying improvement in the character and condition of the common schools throughout the State during the past two years—attributable, no doubt, in a great degree to the indefatigable zeal of that excellent and efficient officer. An unusually large number of comfortable and commodious school-houses have been erected, the per capita increased from \$1.40 to \$1.65, the course of study enlarged, and a higher standard of qualifications required of teachers.

The school census, white and colored, with corresponding apportionment out of the School Fund for the payment of teachers' wages for the years ending June 30, 1885, and June 30, 1886, are as follows:

Whole number of pupil children for the year ending June 30,
1885—

White	514,167
Colored	97,839
Total	<u>612,006</u>

Apportioned to white children, per capita \$1.55	\$796,958 85
Colored, per capita \$1.55	<u>151,650 45</u>
Total	<u>\$948,609 30</u>

Whole number of pupil children for the year ending June 30,
1886:

White	524,274
Colored	99,654
Total	<u>623,928</u>

Apportioned to white children, \$1.65 per capita	\$865,052 10
Colored, \$1.65 per capita	<u>164,429 10</u>
Total	<u>\$1,029,481 20</u>

It may be a matter of very just pride to the citizen of Kentucky to be able to refer to the fact that the per capita above shown is much larger than that apportioned from the Treasury of any other State

in the Union for the support of common schools, with but three exceptions; yet it must be apparent to all that \$1.65 per annum to the pupil is by no means adequate to sustain anything like a competent system of education anywhere in this country. We have, however, probably reached the limit in the direction of State taxation. If the means now realized by that method are to be supplemented, it will have to be done by some system, such as has been resorted to in other States whose school funds, like our own, have not been derived from the munificence of the Federal Government.

THE STATE COLLEGE

is perhaps in a better condition in every respect than it has ever been before. It is entirely free from debt, and its material appliances for facilitating instruction constantly increasing. Large additions have been made to the chemical laboratories, the basis of a good botanical museum has been laid, and the cabinet of geological and mineralogical specimens is steadily growing. An experimental Agricultural Station has been established with close relations to the Bureau of Agriculture, at Washington, which will be devoted exclusively to experimental work for the benefit of the farmers of the State. The Staff of Instruction in the Normal School has been doubled, and will be increased as the necessities of that department may demand. The matriculation for the current year will probably reach very nearly three hundred, with class-room accommodations for a much greater number, and a corps of sixteen professors and instructors, all able and earnest men, and many of them of widely extended reputations as learned and efficient teachers.

STATE CHARITIES.

I have the honor to lay before you the reports of the Commissioners and Superintendents of the Eastern, Central, and Western Lunatic Asylums, the Kentucky Institution for the Education and Training of Feeble-minded Children, The Kentucky Institution for the Education of the Blind, and The Kentucky Institution for the Education of the Deaf and Dumb.

The whole number of the several defective classes accommodated therein during the year, as reported, was 2,550, distributed as follows:

Eastern Lunatic Asylum	686
Central Lunatic Asylum	810
Western Lunatic Asylum	675
Institution for the Feeble-minded	171
Institution for the Deaf and Dumb	181
Institution for the Blind	77
Total	<u>2,550</u>

The amounts drawn from the Treasury for the support of each of them during the fiscal year ending June 30, 1885, were as follows:

For Eastern Lunatic Asylum	\$83,129 07
For Central Lunatic Asylum	73,177 50
For Western Lunatic Asylum	67,464 80
For Institution for Feeble-minded	29,349 65
For Institute for Deaf and Dumb	29,396 65
For Institute for Blind	14,415 00
Total	<u>\$296,932 67</u>

In addition to this sum there was paid during the year:

For support of pauper idiots	\$62,089 63
For support of lunatics in counties	9,318 15
For conveying lunatics to asylums	8,890 92
Total	<u>\$80,298 70</u>

Making the total amount expended on account of Public Charities, \$377,231.37, as I have heretofore stated.

The aggregate receipts and disbursements of the several Lunatic Asylums for the year ending September 30, 1885, were as follows:

EASTERN ASYLUM.

Receipts from State Treasury	\$96,357 27
Due from State on June 30, 1885	12,840 62
Receipts from all other sources	9,548 48
Total	<u>\$118,746 37</u>
Disbursements	\$130,708 75
Deduct Receipts, as above	118,746 37
Deficit	<u>\$11,962 38</u>

CENTRAL ASYLUM.

Receipts from State Treasury	\$79,356 22
From all other sources	17,849 92
Total	<u>\$97,206 14</u>
Disbursements	\$96,190 72
Balance on hand	<u>\$1,015 42</u>

WESTERN ASYLUM.

Receipts from State Treasury	\$95,109 42
Receipts from all other sources	4,148 87
Total	<u>\$99,258 29</u>
Disbursements	83,498 60
Balance on hand	<u>\$15,759 69</u>

The receipts and disbursements of the Institutions for the Feeble-minded, Deaf and Dumb and Blind, were, for their last fiscal year, respectively as follows :

INSTITUTION FOR FEEBLE-MINDED.

Receipts from State Treasury	\$28,075 24
From all other sources	2,283 83
Total	<u>\$30,359 07</u>
Disbursements	28,925 25
Balance on hand	<u><u>\$1,433 82</u></u>

INSTITUTION FOR DEAF AND DUMB.

WHITE DEPARTMENT.

Receipts from State Treasury	\$28,604 15
Receipts from all other sources	1,128 23
Total	<u>\$29,727 38</u>
Disbursements	29,596 12
Balance on hand	<u><u>\$131 26</u></u>

COLORED DEPARTMENT.

Receipts from State Treasury	\$7,417 50
Disbursements	7,262 40
Balance on hand	<u><u>\$155 10</u></u>

INSTITUTION FOR THE BLIND.

Receipts from State Treasury	\$17,032 62
Receipts from other sources	1,156 07
Total	<u>\$18,188 69</u>
Disbursements	18,991 43
Deduct receipts	18,188 69
Deficit	<u><u>\$802 74</u></u>

As the fiscal year of some of our eleemosynary institutions commences on the first day of October, and others on the first day of November, the figures given in the foregoing tables of course do not correspond with those exhibited for the fiscal year of the State, which begins on the first

July. This lack of uniformity necessarily renders a comparison of their accounts with those of the accounting officers of the Commonwealth much more complicated and difficult than it would be if the fiscal year of all such institutions should be made to conform to that of the State. I would suggest, therefore, that the laws by which they are respectively regulated be amended so as to require their officers to make their reports as of June 30th in each year.

There is a complaint from each of the Lunatic Asylums of a want of sufficient accommodations to meet the constantly increasing demands of that unfortunate class, and a variety of suggestions looking to their being rendered more adequate to the beneficent purpose for which they are designed.

In that connection the Superintendent of the Eastern Asylum reports that it has been found impossible to admit all who have made application for treatment, as the danger from overcrowding the insane is worse than no treatment at all, and says that the appropriation of twenty-five thousand dollars made by the last General Assembly for certain additions and improvements to asylum buildings has been found scarcely half sufficient for the work contemplated, which has been left unfinished, and the institution with no greater accommodations than before. He makes no estimate of the amount which will be required to complete the work, and says it can be done only by a thorough and practical architect, but if his views are correct it will certainly require an outlay of over twenty-five thousand dollars.

In the Central Asylum, under the admirable management of the present excellent Superintendent, many important and valuable improvements have been made, and are in progress. Additional accommodations for twenty-five patients, and more comfortable quarters for fifty others—who otherwise would have, of necessity, been turned away—have been provided in space hitherto unoccupied. This, with the accommodations completed for thirty-five in the new building authorized by the act of the last Legislature, has virtually increased the capacity of the Asylum for 110 patients, which, with the unfinished room for 113 more, will make it sufficient for 778 patients; 460 white males, 227 white females, 101 colored of both sexes. With the new building finished and furnished, which he thinks will require an additional outlay of \$13,000, the Superintendent is of the opinion that this institution will be in a condition to meet all the demands upon it for several years to come.

The Western Asylum is reported in excellent condition, yet, while neither the Board of Commissioners nor the Superintendent suggests the necessity of any immediate extra appropriation out of the State Treasury to remedy it, there is the same complaint of a want of capacity for the proper accommodation, or even the admission of all who apply for treatment, clearly indicating that the time must soon arrive when the erection of additional buildings, or another asylum will be imperatively demanded, if the Commonwealth is to continue its present praiseworthy care of this, the most unfortunate, perhaps, of all its defective classes.

The management of the Institution for the Education and Training of Feeble-minded Children has been conducted with remarkable prudence and skill, and its results have surpassed the highest expectation of its most ardent advocates; especially in the astonishing proficiency which the pupils are made to attain in a great variety of the mechanic arts, as well as in the ordinary branches of a common school education. This was signally illustrated by the remarkable exhibit made by the Institution in the recent Exposition at Louisville, embracing an elegant cottage, a complete set of furniture, mattresses, shoes, brooms, mops and chairs, all made by the boys, and a handsome display of clothing and fancy work made by the girls. I must cheerfully commend to your favorable consideration the modest request of the management for several trifling appropriations for the purchase of additional land, the erection of an annex to the present building for school room and dormitory, and other things deemed necessary for the more successful conduct of the Institution, amounting in all to but \$11,000.

The Institution for the Education of the Deaf and Dumb, and the Institution for the Education of the Blind have also been conducted with that commendable integrity and skill which have characterized their management for years, and I refer with pleasure to the requests of their respective Superintendents for small additional appropriations in aid of their excellent work.

STATE BOARD OF CHARITIES.

In view of the fact that there are now more than twenty-five hundred of our defective classes congregated in the six institutions above referred to; maintained by the State at an annual expense aggregating, on an average, a sum fully equal to one half that required to defray all the other ordinary expenses of the State Government; and of the further fact that those unhappy pensioners upon the public bounty are constantly increasing in number, in a ratio far in excess of the average increase in our population, thus rendering a corresponding increase in the expenditures from the State Treasury for their relief from year to year an absolute certainty, if not an actual necessity, I would respectfully suggest the propriety of your organizing some means for the more effectual protection of the interests of the Commonwealth on the one hand, and of the objects of its beneficence on the other, than can be found in our present system.

I would recommend the creation of a "State Board of Charities," such as exists in New York, Pennsylvania, Ohio, Massachusetts, Illinois,

and other States in which the care of the defective classes has received the maturest and most enlightened attention ; a board required by law to visit and inspect every charitable institution in the State at frequent but irregular intervals ; to examine the condition of all such institutions, financially or otherwise ; to inquire into the methods of government, instruction, employment, and treatment of the inmates ; the character and conduct of employes, and the official demeanor of commissioners and officers ; the condition of buildings, grounds, and other property connected therewith ; ascertain whether the moneys appropriated for their aid are, or have been, judiciously and economically expended ; whether the objects of such institutions are being accomplished, the laws in relation thereto properly complied with, and all parts of the State equally benefitted therein ; to act as an advisory board to which all plans for buildings and improvements shall be submitted for suggestion or approval, and to report to the Legislature the exact condition of all such institutions, with such recommendations as it may deem advisable touching any matter coming within the purview of its official duties.

In States in which this plan has been adopted it has been the means of elevating the character and increasing the efficiency of their charities, as well as of promoting economy in their management to the extent of thousands of dollars per annum.

But there are other, and perhaps still weightier reasons for the establishment of such a board, especially when considered with reference to the management of asylums for the insane. The inmate of such an institution is seldom, if ever, there by his own volition. The State, through its organized agencies, assumes the control of his will and the direction of his conduct, for the express purpose of promoting his own good, and not to increase his misfortunes. It is, therefore, under every obligation that justice can suggest or humanity impose to afford him the fullest possible protection from cruelty or neglect. On the other hand, the officers in charge of them are not only constantly acting under grave responsibilities, and frequently at the imminent peril of their personal safety, but are usually gentlemen of the highest respectability, personally and professionally, who are, perhaps, as sensitive to unmerited censure, and who are as much entitled to be protected from calumny as any other class in the community. Yet it is well known that casualties frequently occur in such institutions, which give

rise to accusations of wilful neglect, wanton cruelty, or gross incompetency on the part of the officers or employes in charge. These should, in all instances, be promptly and impartially investigated, in order that the interests of the inmates shall be protected from further negligence or maltreatment where there is guilt, and that the reputation of the party accused shall be vindicated, if innocent. This duty can never be discharged satisfactorily to all parties by any local Board of Commissioners, no matter what may be the character of its members for intelligence, honesty, and impartiality, nor how absolutely just their finding may be. If the officer accused should be acquitted, one party will be certain to claim that it was the result of an undue bias, growing out of close and intimate personal and official relations of long standing, or an overweening desire to shield the institutions with which they are associated from an unsavory scandal, while, if he should be convicted, another, equally strong, perhaps, will as certainly attribute it to personal prejudice, resulting from something the accused may have previously said or done to displease the board.

So, in either event, popular confidence in the management must be impaired, and its capacity for usefulness, to a greater or less degree, destroyed. It is easy to see that all such difficulties would be removed in a very large degree by having all such investigations made by a board composed of members living remote from the scene of the transaction, free from any personal predilection either way, and who could not be suspected of any other motive than a sincere desire to vindicate the dignity of the Commonwealth by strict and exact justice alike to the inmates and officers of the institution.

For these, and many other reasons equally cogent, I am convinced, after mature deliberation upon the subject, that the interests of the State, as well as those of the officers and patients in our asylums, would be very greatly promoted by the establishment of a board such as I have indicated.

RAILROAD COMMISSION.

I also have the honor to submit for your consideration the report of the Board of Railroad Commissioners which will be found replete with gratifying and instructive facts, while containing many suggestions of interest and value to the general public as well as to the enlightened and conscientious legislator.

It appears from this report that there has been an increase in the railway track mileage within the State in the last two years of 191

miles, with four new and important lines under contract and in process of construction, while others of equal importance are under consideration, with a fair prospect of being commenced within the near future.

While they have evidently discharged all their duties with commendable diligence, ability and care, the Commissioners seem to have exercised extraordinary circumspection in the examination and assessment of the railroad property in the State, subject to taxation, which they estimate for the last year at \$32,026,155, yielding a revenue to the Treasury of \$168,137.32. And it is gratifying to note, in this connection that the litigation between the Commonwealth and certain railroad companies, involving the validity of the act authorizing the assessment of railroad property by the Board of Commissioners, which has been pending for several years, to the great embarrassment of the fiscal affairs of the government, has, at length, been determined by the Supreme Court of the United States, in favor of the constitutionality of the law, thus settling finally and conclusively the powers of the Board and the legality of the method of procedure prescribed in that particular.

Estimating the cost of railroads in Kentucky at \$30,000 per mile, which they seem to consider a high average, the Commissioners compute the net earnings at nine per cent. per annum, and in the light of that fact it is not difficult to see that our State presents one of the most inviting fields that could be offered for the safe and profitable investment of capital in railroad enterprises, especially when considered in connection with the enormous sources of wealth and traffic in our midst, which only need adequate facilities for transportation for their development.

As the most satisfactory solution of the much mooted question of what should be the relative rates for "long and short hauls," which has frequently challenged attention in the Federal Congress, as well as in the State Legislatures, the Commissioners commend the plan which has been followed successfully for the last fourteen years in Massachusetts, and which prohibits railway companies from charging more for hauling the same class of freight in the same direction for a short distance than for a longer one, where the longer distance includes the shorter one.

They seem, however, to have devoted especial attention to the subject of coal transportation, and express the conclusion that it would be highly beneficial to the several railroad companies, as well as to the consumer, if an arrangement should be made establishing a uniform

